

CITY OF LAKELAND, FLORIDA
State Housing Initiatives Partnership
(SHIP) Program
LOCAL HOUSING ASSISTANCE PLAN (LHAP)

CITY PROGRAM YEARS:

2011-2012

2012-2013

2013-2014



COMMUNITY DEVELOPMENT DEPARTMENT
NEIGHBORHOOD SERVICES DIVISION

April 4, 2011

Revised 6/13/2011



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I. PROGRAM DESCRIPTION:

A. Name of the participating local government and Interlocal if Applicable:

CITY OF LAKELAND, FLORIDA Interlocal: Yes _____ No X

Name of participating local government(s) in the Interlocal Agreement;
A copy of the Interlocal Agreement is attached as Exhibit H.

N/A

B. Purpose of the program:

Creation of the Plan is for the purpose of meeting the housing needs of very low, low and moderate income households, to expand production of and preserve affordable housing, and to further the housing element of the local government comprehensive plan specific to affordable housing.

C. Fiscal years covered by the Plan: (July 1- June 30)

2011-2012
2012-2013
2013-2014

D. Governance:

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37 Florida Administrative Code. The SHIP Program does further the housing element of the local government Comprehensive Plan. **Cities and Counties must be in compliance with these applicable statutes and rules.**

E. Local Housing Partnership:

SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups.

F. Leveraging:

The Plans are intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

G. Public Input:

Public input was solicited through face to face meetings with housing providers, social service providers, local lenders and neighborhood associations. Public input was solicited through public hearing on April 4 and the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability.

H. Advertising and Outreach:

The county or eligible municipality or its administrative representative shall advertise the notice of funding availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

I. Discrimination:

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing.

J. Support Services and Counseling:

Support services are available from various sources. Available support services may include but are not limited to:

Loan Processor provides Homeownership Counseling (pre and post) and Credit Counseling to homebuyers. The Housing Division distributes a home maintenance manual, "My Home Book" to housing rehabilitation clients. The City's Electric Department offers energy efficiency home audits to assist people in reducing energy costs, and the local public housing authority offers family support services.

K. Purchase Price Limits:

The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

- Independent Study (copy attached)
- U.S. Treasury Department
- Local HFA Numbers

The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts

L. Income Limits, Rent Limits and Affordability:

The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Section 420.9071 F.S. However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

M. Welfare Transition Program:

Should an eligible sponsor be used, the city/county has developed a qualification system and selection criteria for applications for Awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employ personnel from the Welfare Transition Program will be given preference in the selection process.

N. Monitoring and First Right of Refusal:

In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored at least annually for 15 years or the term of assistance, whichever is longer unless as specified above.

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

O. Administrative Budget:

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as Exhibit A. These are presented on an annual basis for each State fiscal year submitted.

City of Lakeland finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan.

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, states:

“A county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan.”

Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, further states:

“The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.”

The **City of Lakeland** has adopted the above findings in the attached resolution, Exhibit E.

P. Program Administration:

Administration of the local housing assistance plan is the responsibility of the **City of Lakeland**. Should a third party contract for all or part of the administrative or other functions of the program provide in detail the duties, qualification and selection criteria.

Q. Essential Service Personnel:

Counties and eligible municipalities are required to include a definition of Essential Services Personnel as noted in Rule Chapter 67-37.002(8) F.A.C., Chapter 67-37.005(10), F.A.C. and Section 420.9075(3), F.S. Definition of “Essential Service Personnel” for City of Lakeland SHIP Program: “Essential Service Personnel” may include, but is not limited to: teachers and educators, other school district employees, community college, and university employees; police and fire personnel; health care personnel; and skilled building trades personnel. (SHIP assistance cannot be utilized to assist households whose income exceeds 120% AMI.)

- R. **Green Initiatives:** Section 420.9075(3) (d), F.S.: Requires counties and eligible municipalities to describe initiatives in their local housing assistance plans that encourage or require innovative design, green building principles, storm resistant construction or other elements that reduce long term costs relating to maintenance, utilities or insurance. Provide a brief description as required: The City is committed to the production of energy efficient housing for long term affordability. The City will incorporate energy efficient improvements to reduce energy costs based on funding availability. Specific improvements include, but are not limited to: Installation of energy efficient doors and windows; Replacement of heating and/or cooling systems with high energy efficient 15 SEER; Installing R30 insulation; Energy star appliances and water heaters and Low consumption toilets and faucets.

II. LHAP HOUSING STRATEGIES:

NOTES:

- Include a separate strategy for Disaster Mitigation
- In the event preference is given to Essential Service Personnel, plan text must so state pursuant to Chapter 67-37.005, F.A.C.
- Strategy titles shall be consistent throughout local government plans. These titles must be used consistently throughout plan text and the Housing Delivery Goals Charts. Acceptable strategy titles include but are not limited to: Housing Rehabilitation, Impact Fee Assistance, Purchase Assistance Existing with or without Rehabilitation, Purchase Assistance New Construction, Sweat Equity, Replacement Housing, and Disaster Relief.
- Plan text must include initiatives in the local housing assistance plan identifying current and emerging green building and design techniques and explain how these techniques are to be integrated into its housing strategies both for sustainability and promote greater affordability as required in Section 420.9075(3)(d), F.S.
- Plan text shall develop and include in the Local Housing Assistance Plan assistance to those having special housing needs as noted in Section 420.9075(1)(a), F.S.

Provide Description:

A. Strategy: Home Purchase Assistance

a. Summary of the Strategy:

The City of Lakeland will provide home purchase assistance such as down payment and closing costs. Homes purchased will include new homes, existing homes, and existing homes with need of rehabilitation. Applications will be made through a nonprofit that will provide required and approved home ownership counseling, and application processing. Eligible clients are assisted on a "first-ready, first-served" basis. Completed applications will be forwarded to a consortium member for approval of first mortgage financing and to the City of Lakeland's Housing Division for home purchase assistance approval. Clients contribute a minimum of \$1,000 of their own funds toward the purchase of homes.

Leveraged funds shall include lending institutions funding for first mortgage financing. And may include City general funds, CRA Tax Increment Financing, and federal and/or state HOME funds.

b. Fiscal Years Covered: 2011-12, 2012-2013, and 2013-2014

c. Income Categories to be served:

Home Ownership --- The income limits for the City's SHIP program adjusted by family size are based on tables established by the U.S. Department of Housing and Urban Development (HUD) and provided by the Florida Housing Finance Corporation (FHFC). These tables are provided each year and forwarded to the jurisdictions utilizing SHIP funds. The City's income table will be updated annually to reflect changes in the income limits as provided by the Florida Housing Finance Corporation.

"Affordable" means that monthly mortgage payments, including taxes and insurance, do not exceed 30 percent of an amount representing the percentage of the area's median annual gross income for the household. However, it is not intended to limit an individual household's ability to devote more than 30 percent of its income for housing. Housing for which a household devotes more than 30 percent of its income shall be deemed affordable if the institutional first mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark. This strategy will serve extremely low, very low, low, and moderate-income clients – up to 120% of the area median income.

d. Maximum award is noted on the Housing Delivery Goals Charts:

Maximum Purchase Price --- Purchase Price limits for the City's housing program shall correspond with the maximum area purchase price published by the Florida Housing Finance Corporation (See Goals Charts attached).

Maximum SHIP Award for Home Purchase Assistance is indicated below:

Extremely Low Income	\$24,000
Very Low Income	24,000
Low Income	16,000
Moderate Income	11,000

e. Terms of the award; Recapture and Default. Include pay back terms in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership).

There will be no interest charged on said deferred payment loan which will be forgiven in full at the end of 30 years. The City takes an alternate lien position to allow mortgagees to assume first mortgage priority. Down payment and closing cost assistance are included in the City's lien. The sponsor's fee is provided to the client as a grant.

The principal balance of the deferred payment loan shall be due without interest at the occurrence of the earliest of the following events:

- a) Death of recipient or recipient;
- b) Sale or transfer of title;
- c) Property is no longer maintained as principal residence (such as renting or leasing of property with or without consideration); and
- d) Property is not maintained to minimum housing standard.

The loan shall be forgiven in full at the end of 30 years. Funds returned under this strategy will be considered program income and deposited into the appropriate accounts for reporting purposes.

- f. **Recipient Selection Criteria:**
Recipients for assistance are defined as extremely low, very low, low, or moderate income households. Eligible clients are assisted on a “first-ready, first-served” basis. Completed applications will be forwarded to a consortium member for approval on first mortgage financing and to the City of Lakeland’s Housing Division for home purchase assistance approval. Clients contribute a minimum of \$1,000 of their own funds toward the purchase of homes.
- g. **Sponsor Selection Criteria and duties, if applicable: Include qualification system and selection criteria for applications for Awards to eligible sponsors.**
This strategy shall be implemented by an eligible sponsor. The eligible sponsor will be selected by a Request for Proposal (RFP) process. The successful respondent will have a proven record with the administration of extremely low, very low, low and moderate income home buyer programs; will have demonstrated capacity to process the anticipated number of loans; will provide the required home buyer education; will have experience with lenders, and will have attended SHIP training within the last 12 months. The ability to leverage private dollars will also be a selection criterion. Preference will be given to a sponsor with an office located in Polk County. Eligible sponsor employing Welfare Transition Program and Workforce Development personnel will be given preference in the selection process.
- h. **Additional Information:**
Mobile homes are not eligible for assistance.

B. Strategy: Owner-Occupied Housing Emergency Repair

- a. **Summary of the Strategy:**
The City will provide owner-occupied housing emergency repair. Funds will be used to eliminate conditions that create a health or safety threat to the owners who occupy the housing. A list of eligible emergency repairs is published in the Neighborhood Services Policy and Procedures Manual. This strategy will serve extremely low, very low, low, and moderate-income clients.
- b. **Fiscal Years Covered:** 2011-12, 2012-13, and 2013-2014
- c. **Income Categories to be served:**
The income limits for the City’s SHIP program adjusted by family size are based on tables established by the U.S. Department of Housing and Urban Development (HUD) and provided by the Florida Housing Finance Corporation (FHFC). These tables are provided each year and forwarded to the jurisdictions utilizing SHIP funds. The City’s income table will be updated annually to reflect changes in the income limits as provided by the Florida Housing Finance Corporation. This strategy will serve extremely low, very low, low, and moderate-income clients – up to 120% of the area median income.
- d. **Maximum award is noted on the Housing Delivery Goals Charts:**
The maximum SHIP award for Emergency Repair is \$20,000.
- e. **Terms of the award; Recapture and Default. Include pay back terms in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership).**

The emergency repairs provided by the City using SHIP funds will be in the form of a deferred payment loan. The ten-year deferred payment loans are forgiven at the rate of 10% per year and the five year deferred payment loans are forgiven at the rate of 20% per year. Temporary relocation expenses, determined by the updated Fixed Residential Moving cost Schedule published by the Federal Highway Administration, are provided to the clients as grants.

There will be no interest charged on said deferred payment loan.

<u>Amount of Assistance</u>	<u>Length of Forgivable loan</u>
Up to \$5,000	5 years
Up to \$20,000	10 years

The portion of the deferred payment loan remaining will be due without interest at the occurrence of the earliest of the following:

- a) Death of recipient or recipients;
- b) Sale or transfer of title;
- c) Property is no longer maintained as principal residence (such as renting or leasing of property with or without consideration; and
- d) Property is not maintained to a minimum housing standard.

Funds returned under this strategy will be considered program income and are deposited into the appropriate accounts for reporting purposes.

- f. **Recipient Selection Criteria:**
This strategy will serve extremely low, very low, low, and moderate-income clients. The Neighborhood Services Division staff will accept applications, determine the nature of the emergency, and qualify the clients based on income requirements. Eligible clients are assisted on a “first-ready, first-served” basis.
- g. **Sponsor Selection Criteria and duties, if applicable:**
Include qualification system and selection criteria for applications for Awards to eligible sponsors.
The City of Lakeland Neighborhood Services Division will administer this strategy.
- h. **Additional Information:**
Mobile homes are not eligible for assistance.

C. Strategy: Housing Rehabilitation

- a. **Summary of the Strategy:**
Funds will be used to perform substantial owner-occupied housing rehabilitation. Rehabilitation will include repair to correct code violations and to provide general renovation of the housing stock. Rehabilitation is intended to extend the life of the housing stock. When the cost to rehabilitate the existing home exceeds 65% of the cost to construct, the homeowners will be assisted under the new construction strategy.

b. Fiscal Years Covered: 2011-12, 2012-13, and 2013-14

c. Income Categories to be served:

This strategy will serve extremely low, very low, low, and moderate income clients. The income limits for the City's SHIP program adjusted by family size are based on tables established by the U.S. Department of Housing and Urban Development (HUD) and provided by the Florida Housing Finance Corporation (FHFC). These tables are provided each year and forwarded to the jurisdictions utilizing SHIP funds. The City's income table will be updated annually to reflect changes in the income limits provided by the Florida Housing Finance Corporation. This strategy will serve extremely low, very low, low, and moderate-income clients – up to 120% of the area median income.

d. Maximum award is noted on the Housing Delivery Goals Charts:

Maximum Subsidy limits for this strategy shall correspond with the federal HOME Maximum Subsidy limits published annually based on location and bedroom size. (See Goals Charts attached).

e. Terms of the award; Recapture and Default. Include pay back terms in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership).

Housing rehabilitation assistance provided by the City using SHIP funds will be in the form of a deferred payment loan. Ten year deferred payment loans are forgiven at the rate of 10% per year. Fifteen year forgivable loans are forgiven at the rate of 6.50% per year for the first fourteen years and the final 9% is forgiven at the end of the fifteenth year. There will be no interest charged on said forgivable loan. Temporary relocation expenses, determined by the updated Fixed Residential Moving cost Schedule published by the Federal Highway Administration, are provided to the clients as grants.

<u>Amount of Assistance</u>	<u>Length of Forgivable loan</u>
Up to \$40,000	10 years
Over \$40,000	15 years

The portion of the deferred payment loan remaining will be due without interest at the occurrence of the earliest of the following events:

- a) Death of recipient or recipients;
- b) Sale or transfer of title;
- c) Property is no longer maintained as principal residence (such as renting or leasing of property with or without consideration); and
- d) Property is not maintained to a minimum housing standard.

Funds returned under this strategy will be considered program income and are deposited into the appropriate accounts for reporting purposes.

f. Recipient Selection Criteria:

This strategy will serve extremely low, very low, low, and moderate-income clients. Clients are assisted on a "first-ready, first-served" basis. However, preference will be given to elderly individuals, over the age of 62 years and /or persons with special needs

as defined in SHIP Rule 67.37.002(21). The Neighborhood Services Division staff will accept applications, determine the extent of the needed rehabilitation, and qualify the clients based on income requirements. Additional assistance in this regard may include relocation.

- g. Sponsor Selection Criteria and duties, if applicable:**
Include qualification system and selection criteria for applications for Awards to eligible sponsors.

The City of Lakeland Neighborhood Services Division will administer this strategy.

- h. Additional Information:**

The City will incorporate energy efficient improvements to reduce energy costs based on funding availability. Specific improvements include, but are not limited to:

1. Installation of energy efficient doors and windows;
2. Replacement of heating and/or cooling systems with high energy efficient 15 SEER;
3. Installing R30 insulation;
4. Energy star appliances and water heaters and
5. Low consumption toilets and faucets.

Mobile homes are not eligible for assistance.

D. Strategy: Disaster Assistance

- a. Summary of the Strategy:**

SHIP funds shall be used to provide emergency repair in the aftermath of a disaster as declared by Executive Order of the Governor as provided in section 420.9078(1) F.S. Funds will be used to address emergency housing repair. The intent of this strategy is to address the immediate health and safety needs of eligible clients in the event of a disaster. Relocation assistance may be provided. (Rental subsidies are expressly prohibited under the SHIP regulations.) Generally, such needs may include purchase of emergency supplies for income eligible households to weatherproof damaged homes, provide interim repairs to avoid further damage, tree and debris removal, or other assistance as may be necessary to make individual housing units habitable. This assistance would additionally be for non-insured repairs such as insurance deductible expenses. New construction or reconstruction of housing units will be eligible as part of this strategy. Because of the emergency nature of this strategy, the City shall implement an expedited income verification process.

- b. Fiscal Years Covered:** 2011-12, 2012-13, and 2013-2014

- c. Income Categories to be served:**

This strategy will serve extremely low, very low, low, and moderate income clients. The income limits for the City's SHIP program adjusted by family size are based on tables established by the U.S. Department of Housing and Urban Development (HUD) and provided by the Florida Housing Finance Corporation (FHFC). These tables are provided each year and forwarded to the jurisdictions utilizing SHIP funds. The City's

income table will be updated annually to reflect changes in the income limits as provided by the Florida Housing Finance Corporation. This strategy will serve extremely low, very low, low, and moderate-income clients – up to 120% of the area median income.

d. Maximum award is noted on the Housing Delivery Goals Charts:
 Maximum Subsidy limits for this strategy shall correspond with the federal HOME Maximum Subsidy limits published annually based on location and bedroom size. (See Goals Charts attached).

e. Terms, Recapture and Default. Include terms of recapture in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership).
 Disaster assistance provided by the City using SHIP funds will be in the form of a deferred payment loan. Five year deferred payment loans are forgiven at 20% per year; ten year deferred payment loans are forgiven at the rate of 10% per year and fifteen year deferred payment loans are forgiven at the rate of 6.50% per year for the first fourteen years and the final 9% is forgiven at the end of the fifteenth year. Temporary relocation expenses, determined by the updated Fixed Residential Moving cost Schedule published by the Federal Highway Administration, are provided to the clients as grants.

There will be no interest charged on said forgivable loan.

<u>Amount of Assistance</u>	<u>Length of Forgivable loan</u>
Up to \$5,000	5 years
\$5,000 to \$40,000	10 years
Over \$40,000	15 years

The portion of the deferred payment loan remaining will be due without interest at the occurrence of the earliest of the following events:

- a) Death of recipient or recipients;
- b) Sale or transfer of title;
- c) Property is no longer maintained as principal residence (such as renting or leasing of property with or without consideration); and
- d) Property is not maintained to a minimum housing standard.

Funds returned under this strategy will be considered program income and are deposited into the appropriate accounts for reporting purposes.

f. Recipient Selection Criteria:
 This strategy will serve extremely low, very low, low, and moderate-income clients.

The Neighborhood Services Division staff will accept applications, determine the extent of the needed new construction, and qualify the clients based on income requirements. Additional assistance in this regard may include relocation. Clients are assisted on a “first-ready, first-served” basis.

g. Sponsor Selection Criteria, if applicable: Include qualification system and selection criteria for applications for Awards to eligible sponsors.

The City of Lakeland Neighborhood Services Division will administer this strategy.

- h. Additional Information:**
Mobile homes are not eligible for assistance.

E. Strategy: New Housing Construction

a. Summary of the Strategy:

SHIP funds shall be used to provide reconstruction on the same lot and new home construction on a different lot. Funds will be used to build new housing units for clients whose current owner-occupied unit is scheduled to be demolished. When the cost to rehabilitate the existing home exceeds 65% of the cost to construct a replacement home, construction on a different lot may be performed within the city limits of Lakeland. Relocation assistance shall be provided. Should the subject lot or surrounding area no longer be conducive to single family housing construction, consideration shall be given to City redevelopment plans in the area and the lot incorporated into the City's redevelopment efforts. This will be an even exchange of property or outright purchase of client's property at terms to be negotiated based on market value/appraisal.

- b. Fiscal Years Covered:** 2011-2012, 2012-2013, and 2013-2014

c. Income Categories to be served:

The income limits for the City's SHIP program adjusted by family size are based on tables established by the U.S. Department of Housing and Urban Development (HUD) and provided by the Florida Housing Finance Corporation (FHFC). These tables are provided each year and forwarded to the jurisdictions utilizing SHIP funds. The City's income table will be updated annually to reflect changes in the income limits as provided by the Florida Housing Finance Corporation. This strategy will serve extremely low, very low, low, and moderate-income clients – up to 120% of the area median income.

d. Maximum award is noted on the Housing Delivery Goals Charts:

Maximum Subsidy limits for this strategy shall correspond with the federal HOME Maximum Subsidy limits published annually based on location and bedroom size. (See Goals Charts attached).

e. Terms, Recapture and Default. Include terms of recapture in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership).

New construction costs shall be in the form of a deferred payment loan. There shall be no interest charged on said deferred payment loan.

The new construction costs shall be forgiven at the rate of 3.50% per year for the first 14 years and 4.5% shall be forgiven at the end of year 15 and the remaining 50% will be forgiven at the end of year 30. Temporary relocation expenses, determined by the updated Fixed Residential Moving cost Schedule published by the Federal Highway Administration, are provided to the clients as grants.

The portion of the deferred payment loan remaining will be due without interest at the occurrence of the earliest of the following events:

- a) Death of recipient or recipients;
- b) Sale or transfer of title;
- c) Property is no longer maintained as principal residence (such as renting or leasing of property with or without consideration); and
- d) Property is not maintained to a minimum housing standard.

Funds returned under this strategy will be considered program income and are deposited into the appropriate accounts for reporting purposes.

f. Recipient Selection Criteria:

This strategy will serve extremely low, very low, low, and moderate-income clients. The Neighborhood Services Division staff will accept applications, determine the extent of the needed new construction, and qualify the clients based on income requirements. Additional assistance in this regard may include relocation. Clients are assisted on a “first-ready, first-served” basis.

g. Sponsor Selection Criteria, if applicable: Include qualification system and selection criteria for applications for Awards to eligible sponsors.

The City of Lakeland Neighborhood Services Division will administer this strategy.

h. Additional Information:

The City will incorporate energy efficient improvements to reduce energy costs based on funding availability. Specific improvements include, but are not limited to:

- 1. Installation of energy efficient doors and windows;
- 2. Replacement of heating and/or cooling systems with high energy efficient 15 SEER;
- 3. Installing R30 insulation;
- 4. Energy star appliances and water heaters and
- 5. Low consumption toilets and faucets.

Mobile homes are not eligible for assistance.

F. Strategy: Home Purchase Assistance (CRA Initiative)

a. Summary of the Strategy:

The City of Lakeland will provide home purchase assistance such as down payment and closing costs. Homes purchased will include new homes, existing homes and existing homes in need of rehabilitation. Applications may be made through a nonprofit that will provide required and approved home ownership counseling, and application processing. Eligible clients are assisted on a “first-ready, first-served” basis. Completed applications will be forwarded to a consortium member for approval on first mortgage financing and to the City of Lakeland’s Neighborhood Services Division for home purchase assistance approval. Clients voluntarily relocating because of economic development in approved Community Redevelopment Areas may receive additional incentives. The residence purchased must be within the city limits of Lakeland.

Leveraged funds shall include lending institutions funding for first mortgage financing.

And may include City general funds,, CRA Tax Increment Financing, and federal and/or state HOME funds.

b. Fiscal Years Covered: 2011-2012, 2012-2013, and 2013-2014

c. Income Categories to be served: Extremely Low, Very Low, Low and Moderate as shown on the HDGC.

“Affordable” means that monthly mortgage payments, including taxes and insurance, do not exceed 30 percent of an amount representing the percentage of the area’s median annual gross income for the household. However, it is not intended to limit an individual household’s ability to devote more than 30 percent of its income for housing. Housing for which a household devotes more than 30 percent of its income shall be deemed affordable if the institutional first mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark.

d. Maximum award is noted on the Housing Delivery Goals Charts:

Maximum SHIP Award for Home Purchase Assistance (CRA Initiative) is indicated below:

Extremely Low Income	\$44,000
Very Low Income	44,000
Low Income	36,000
Moderate Income	31,000

e. Terms, Recapture and Default. Include terms of recapture in the event of default (failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership).

There will be no interest charged on said deferred payment loan which will be forgiven in full in 30 years. The City may take an alternate lien position to allow mortgagees to assume first mortgage priority. Temporary relocation expenses, determined by the updated Fixed Residential Moving cost Schedule published by the Federal Highway Administration, are provided to the clients as grants.

The portion of the deferred payment loan remaining will be due without interest at the occurrence of the earliest of the following events:

- a) Death of recipient or recipients;
- b) Sale or transfer of title;
- c) Property is no longer maintained as principal residence (such as renting or leasing of property with or without consideration); and
- d) Property is not maintained to a minimum housing standard.

Funds returned under this strategy will be considered program income and are deposited into the appropriate accounts for reporting purposes.

f. Recipient Selection Criteria:

Recipients for assistance are defined as extremely low, very low, low, or moderate income households. Eligible clients are assisted on a “first-ready, first-served” basis. Completed applications may be forwarded to a consortium member for approval on first mortgage financing and to the City of Lakeland’s Neighborhood Services Division for home purchase assistance approval. Homeowners voluntarily relocating from their

homestead property in specific CRA target areas because of economic development may qualify.

For Home Purchase Assistance, clients currently residing in approved CRA target areas, selling their target area home to the redevelopment agent, and relocating may receive an amount up to \$44,000 maximum as noted on the housing delivery goals chart for down payment assistance.

For Home Purchase Assistance with Rehabilitation, clients currently residing in approved CRA target areas, selling their target area home to the redevelopment agent and relocating, shall purchase a home in need of repair and receive a combined amount for purchase and rehabilitation not to exceed \$44,000 as noted on the housing delivery goals chart. Rehabilitation funds must be held by an escrow agent and disbursed only upon proper inspection to determine that appropriate repairs have been made according to an approved draw schedule.

Any net proceeds received from the sale of client's current residential property must be contributed toward the down payment of the home purchased.

g. Sponsor Selection Criteria:

This strategy shall be implemented by an eligible sponsor. The eligible sponsor will be selected by a Request for Proposal (RFP) process. The successful respondent will have a proven record with the administration of extremely low, very low, low and moderate income home buyers programs; will have demonstrated capacity to process the anticipated number of loans; will provide the required home buyer education; will have experience with lenders, and will have attended SHIP training within the last 12 months. The ability to leverage private dollars will also be a selection criterion. Preference will be given to a sponsor with an office located in Polk County. Eligible sponsor employing Welfare Transition Program and Workforce Development personnel will be given preference in the selection process.

h. Additional Information:

Mobile homes are not eligible for assistance.

III. LHAP INCENTIVE STRATEGIES

In addition to Strategy A and Strategy B, include all adopted incentives with the policies and procedures used daily for implementation as provided in Section 420.9076, F.S.:

A. Strategy: Expedited Permitting

Permits as defined in s. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.

a. Provide a description of the procedures used to implement this strategy:

The City's Affordable Housing Incentive Plan became effective December 6, 1993 and contained provisions for expediting the permitting process for affordable housing development.

1) Single Family Infill Construction:

The City's Building Inspection Division has a relatively short turnaround time for permitting single family infill construction. Special consideration will be given to speed the process of issuing building permits to those developers who have qualified as

“affordable housing developers”. A list of qualified affordable housing developers has been created by the Neighborhood Services Division and provided to the permit clerks of the Building Inspection Division. An updated list of affordable housing developers is provided periodically. Additionally, housing staff meets at least annually with the City’s Building Official to review the process and update as necessary.

At the time a request is made for the issuance of a building permit by a designated affordable housing developer and providing the single family dwelling unit meets the definition of “affordable housing” set forth herein below, the permit clerk shall process the permit request in an expeditious manner as follows:

Providing that the building plans and permit request contain all necessary information upon submission and the proper building/impact fees have been paid (or appropriately waived or set up for reimbursement), the permit clerk shall flag the plans with a GREEN DOT. This green dot will draw attention of the plans examiner to the fact that the plans are to be treated as priority before non-affordable housing or commercial development and handled in an expeditious manner, resulting in the early issuance of a building permit.

2) Multi-Family Developments:

Affordable housing builders of multi-family developments shall be approved by the Affordable Housing Review Committee (AHRC). Multi-family developments shall receive expedited permitting as referenced above. However, by their nature, larger multi-family developments must be reviewed and approved by multiple City service areas such as plans examiner, planning and zoning, traffic, landscape, electric, water, fire, etc. Multi-family developers are encouraged to schedule early preliminary meetings with the different departments and the Development Review Team (DRT) to assist in an early resolution of any development/plan requirements.

Definitions:

“Affordable housing” – Housing offered for sale at or below the City’s State Housing Initiatives Program (SHIP) maximum purchase price limit for new construction shall be defined as affordable. Purchase Price limits for the City’s housing program shall correspond with the maximum area purchase price published by the Florida Housing Finance Corporation (see attached Goals Charts). Rental housing meets the affordable definition if the units are offered to tenants with rents at or below the Rents Adjusted to Number of Bedrooms in the Unit as published annually by Florida Housing Finance Corporation. The rents represent the maximum gross rents which must include an allowance for utilities. Household income cannot exceed 120% of the area median income.

“Affordable housing developer” - Developers who have made application and been approved for incentives through the City’s Affordable Housing Review Committee (AHRC) and contractors working through the City’s Housing Division grant programs to provide housing through rehabilitation, reconstruction, emergency repair, and new construction under the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and State Housing Initiatives Partnership (SHIP). Such developers provide housing assistance to low income residents of the City who earn less than 120% of the area median income as provided under said grants.

B. Strategy: Ongoing Review Process

An ongoing process is in place for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

a. Provide a description of the procedures used to implement this strategy:

The Affordable Housing Advisory Committee was established by resolution to review established policies and procedures, ordinances, and development regulations, and the adopted local comprehensive plan of the City, and shall recommend specific initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value.

IV. EXHIBITS:

A. Administrative Budget for each fiscal year covered in the Plan. Exhibit A.

B. Timeline for Encumbrance and Expenditure: *Chapter 67-37.005, F.A.C.*
A separate timeline for each fiscal year covered in this plan is attached as Exhibit B. Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.

C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the Plan: Completed HDGC for each fiscal year is attached as Exhibit C.

D. Certification Page:
Signed Certification is attached as Exhibit D.

E. Adopting Resolution:
Original signed, dated, witnessed or attested adopting resolution is attached as Exhibit E.

F. Program Information Sheet:
Completed program information sheet is attached as Exhibit F.

G. Ordinance:
If changed from the original ordinance, a copy is attached as Exhibit G.

Not Applicable

H. Interlocal Agreement:
A copy of the Interlocal Agreement if applicable is attached as Exhibit H.

Not Applicable

EXHIBIT A

Administrative Budget:

The following City staff shall carry out the administration of the SHIP Program: Neighborhood Services Manager, Housing Programs Coordinator, and Housing Finance Officer. These administrators will prepare the necessary Local Housing Assistance Plans, provide for citizen notification or participation, track funding expenditures, prepare annual performance reports, and perform such other functions necessary for the successful implementation of the SHIP grant within the guidelines of the City's LHAP. Administrators will maintain time sheets in this regard.

The City will allocate 10% of the SHIP funds administration expenses. The maximum expenditure for administration expenses will be approximately \$60,000 per year based on an estimated annual allocation of \$600,000. By Resolution, the City may charge an additional 5% of program income for administration expenses, to be determined at a later date based on actual income realized during the program year. The City's SHIP administration budget is set forth in Table 1 below:

Table 1

Administration Expenses	FY2011-2012	FY2012-2013	FY2013-2014	Total Budget
Legal Ads	\$500	\$1,000	\$1,000	\$3,000
Printing	\$500	\$750	\$750	\$2,250
Equipment	\$500	\$750	\$750	\$2,250
Computer	\$1,500	\$6,000	\$6,000	\$18,000
Office Supplies	\$500	\$2,000	\$2,000	\$6,000
Training	\$500	\$3,000	\$3,000	\$9,000
Travel	\$500	\$1,500	\$1,500	\$4,500
Payroll	\$5,089	\$45,000	\$45,000	\$135,000
TOTAL	\$9,589	\$60,000	\$60,000	\$180,000

FLORIDA HOUSING FINANCE CORPORATION

Please check applicable box, & if Amendment, enter number

HOUSING DELIVERY GOALS CHART#2002

STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2011-2012

							New Plan:						
							Amendment:						
							Fiscal Yr. Closeout:						
Name of Local Government: CITY OF LAKELAND							Available Funds:	\$95,899.00		67-37.005(5)(d) F.A.C.			
							A	B	C	D	E	F	
HOME OWNERSHIP STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units	
HOME PURCHASE ASSISTANCE		\$24,000		\$16,000		\$11,000				\$0.00	0.00%	0	
OWNER-OCC. HOUSING EMERGENCY REPAIR	1	\$20,000	0	\$20,000	0	\$20,000		\$16,310.00		\$16,310.00	17.01%	1	
OWNER-OCC. HOUSING REHABILITATION	1	\$222,354	1	\$222,354	0	\$222,354		\$70,000.00		\$70,000.00	72.99%	2	
DISASTER ASSISTANCE	0	\$222,354		\$222,354		\$222,354				\$0.00	0.00%	0	
NEW HOUSING CONSTRUCTION	0	\$222,354		\$222,354		\$222,354				\$0.00	0.00%	0	
HOME PURCHASE ASSIST. W/CRA INITIATIVE	0	\$44,000		\$36,000		\$31,000				\$0.00	0.00%	0	
										\$0.00	0.00%	0	
Subtotal 1 (Home Ownership)	2		1		0		\$0.00	\$86,310.00	\$0.00	\$86,310.00	90.00%	3	
RENTAL STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units	
										\$0.00	0.00%	0	
										\$0.00	0.00%	0	
										\$0.00	0.00%	0	
										\$0.00	0.00%	0	
										\$0.00	0.00%	0	
Subtotal 2 (Non-Home Ownership)	0		0		0		\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0	
Administration Fees										\$9,589.00	10.00%		
Admin. From Program Income											0.00%		
Home Ownership Counseling											0.00%		
GRAND TOTAL	2		1		0		\$0.00	\$86,310.00	\$0.00	\$95,899.00	100.00%	3	
Percentage Construction/Reh										Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.		90%	
Maximum Allowable													
Purchase Price:										New	\$243,945	Existing	\$243,945
Allocation Breakdown										Amount	%		
Very-Low Income										\$51,310.00	53.5%		
Low Income										\$35,000.00	36.5%		
Moderate Income											0.0%		
TOTAL										\$86,310.00	90.0%		
										67-37.005(5)(d) F.A.C.			

Projected Program Income:		Max Amount Program Income For Admin:	\$0.00
Projected Recaptured Funds:			
Distribution:			
Total Available Funds:	\$0.00		

FLORIDA HOUSING FINANCE CORPORATION

Please check applicable box, & if Amendment, enter number

HOUSING DELIVERY GOALS CHART#2002

STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2012-2013

New Plan:		
Amendment:		
Fiscal Yr. Closeout:		

Name of Local Government: CITY OF LAKELAND							Available Funds:					
							A	B	C	D	E	F
HOME OWNERSHIP STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units
HOME PURCHASE ASSISTANCE	3	\$24,000	2	\$16,000	4	\$11,000				\$0.00	#DIV/0!	9
OWNER-OCC. HOUSING EMERGENCY REPAIR	2	\$20,000	1	\$20,000	1	\$20,000				\$0.00	#DIV/0!	4
OWNER-OCC. HOUSING REHABILITATION	3	\$222,354	3	\$222,354	1	\$222,354				\$0.00	#DIV/0!	7
DISASTER ASSISTANCE	0	\$222,354		\$222,354		\$222,354				\$0.00	#DIV/0!	0
NEW HOUSING CONSTRUCTION	0	\$222,354		\$222,354		\$222,354				\$0.00	#DIV/0!	0
HOME PURCHASE ASSIST. W/CRA INITIATIVE	0	\$44,000		\$36,000		\$31,000				\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
Subtotal 1 (Home Ownership)	8		6		6		\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!	20
RENTAL STRATEGIES	VLI Units	Max. SHIP Award	LI Units	Max. SHIP Award	MI Units	Max. SHIP Award	New Construction SHIP Dollars	Rehab/Repair SHIP Dollars	Without Construction SHIP Dollars	Total SHIP Dollars	Total Percentage	Total Units
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
Subtotal 2 (Non-Home Ownership)	0		0		0		\$0.00	\$0.00	\$0.00		#DIV/0!	0
Administration Fees											#DIV/0!	
Admin. From Program Income											#DIV/0!	
Home Ownership Counseling											#DIV/0!	
GRAND TOTAL												
Add Subtotals 1 & 2, plus all Admin. & HO Counseling	8		6		6		\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!	20
Percentage Construction/Reh	Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt.									#DIV/0!		
Maximum Allowable												
Purchase Price:							New	\$243,945	Existing	\$243,945		
Allocation Breakdown	Amount		%									
Very-Low Income			#DIV/0!				Projected Program Income:		Max Amount Program Income For Admin:	\$0.00		
Low Income			#DIV/0!				Projected Recaptured Funds:					
Moderate Income			#DIV/0!				Distribution:					
TOTAL		\$0.00	#DIV/0!				Total Available Funds:	\$0.00				
											08-Aug-11	

FLORIDA HOUSING FINANCE CORPORATION

Please check applicable box, & if Amendment, enter number

HOUSING DELIVERY GOALS CHART#2002

STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2013-2014

New Plan:		
Amendment:		
Fiscal Yr. Closeout:		

Name of Local Government: **CITY OF LAKELAND** Available Funds:

	Available Funds:						A	B	C	D	E	F
HOME OWNERSHIP STRATEGIES	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	New Construction	Rehab/Repair	Without Construction	Total	Total	Total
	Units	Award	Units	Award	Units	Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	Percentage	Units
HOME PURCHASE ASSISTANCE	3	\$24,000	2	\$16,000	4	\$11,000				\$0.00	#DIV/0!	9
OWNER-OCC. HOUSING EMERGENCY REPAIR	2	\$20,000	1	\$20,000	1	\$20,000				\$0.00	#DIV/0!	4
OWNER-OCC. HOUSING REHABILITATION	3	\$222,354	3	\$222,354	1	\$222,354				\$0.00	#DIV/0!	7
DISASTER ASSISTANCE	0	\$222,354		\$222,354		\$222,354				\$0.00	#DIV/0!	0
NEW HOUSING CONSTRUCTION	0	\$222,354		\$222,354		\$222,354				\$0.00	#DIV/0!	0
HOME PURCHASE ASSIST. W/CRA INITIATIVE	0	\$44,000		\$36,000		\$31,000				\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
Subtotal 1 (Home Ownership)	8		6		6		\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!	20

RENTAL STRATEGIES	VLI	Max. SHIP	LI	Max. SHIP	MI	Max. SHIP	New Construction	Rehab/Repair	Without Construction	Total	Total	Total
	Units	Award	Units	Award	Units	Award	SHIP Dollars	SHIP Dollars	SHIP Dollars	SHIP Dollars	Percentage	Units
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
										\$0.00	#DIV/0!	0
Subtotal 2 (Non-Home Ownership)	0		0		0		\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!	0

Administration Fees											#DIV/0!	
Admin. From Program Income											#DIV/0!	
Home Ownership Counseling											#DIV/0!	

GRAND TOTAL												
Add Subtotals 1 & 2, plus all Admin. & HO Counseling	8		6		6		\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!	20

Percentage Construction/Reh Calculate Constr./Rehab Percent. by adding Grand Total Columns A&B, then divide by Annual Allocation Amt. #DIV/0!

Maximum Allowable Purchase Price:							New	\$243,945	Existing	\$243,945		
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Allocation Breakdown	Amount	%	Projected Program Income:		Max Amount Program Income For Admin:	
Very-Low Income		#DIV/0!	Projected Recaptured Funds:			
Low Income		#DIV/0!	Distribution:			
Moderate Income		#DIV/0!	Total Available Funds:		\$0.00	
TOTAL	\$0.00	#DIV/0!				08-Aug-11